

Congress of the United States
Washington, DC 20515

April 26, 2021

Xavier Becerra
Secretary
Department of Health and Human Services
200 Independence Ave. SW
Washington, D.C. 20201

Lloyd J. Austin III
Secretary
Department of Defense
1400 Defense Pentagon
Washington, D.C. 20301

Dear Secretary Becerra and Secretary Austin,

The Trump Administration remained nonresponsive to Congressional requests to review the unredacted contracts negotiated for COVID-19 vaccines and therapeutics. When limited contract information has been belatedly released, key provisions concerning pricing terms, required deliverables and timelines, termination clauses, and patent right information has been redacted. We write to request that you release unredacted copies of all agreements regarding all of these and any other medical countermeasures entered into by the United States, or its subcontractors. Taxpayers are serving as the angel investors in COVID-19 vaccine and therapeutic development, assuming the costs and risk. It is imperative that they also receive a stake in the outcome as well as complete transparency on how billions of tax dollars have been spent and what terms were agreed to and may still be renegotiated. This information has become all the more important as manufacturers talk of boosters and seasonal immunizations, while considering “post-pandemic” price increases.

On March 11th, Pfizer Chief Financial Officer Frank D’Amelio noted at the Barclays Global Healthcare Conference that Pfizer sees “a significant opportunity...from a pricing perspective” to increase prices should COVID-19 become endemic, as many scientists predict. Similarly, Moderna President Stephen Hoge told the same conference “Post-pandemic, as we get into those what I will call seasonal epidemics that you would expect to happen with a SARS-CoV-2 virus, we would expect more normal pricing based on value.” Johnson & Johnson Executive Vice President Joseph Wolk told the Raymond James Institutional Investors Conference they expect “pricing that’s much more in line with a commercial opportunity.”

Despite taxpayers fully underwriting Moderna’s vaccine, significantly paying for Johnson & Johnson’s research, and conducting some of the underlying research that contributed to Pfizer vaccines, all three companies are apparently planning to raise prices as quickly as possible. In our exercise of congressional oversight, we seek access to these agreements to understand what protections are in place for taxpayer investments and what terms may need to be renegotiated.

During a September 16th press briefing, retired Lt. Gen. Paul Ostrowski, former Director of Supply, Production, and Distribution for Operation Warp Speed, asserted these secret contracts

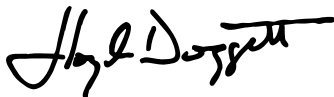
“entail information that allows us to all know that we paid a fair and reasonable price for each one of these vaccines as we went forward.” To assure this commitment is being met, we respectfully request that you provide the following information:

1. Unredacted copies of all contracts, cooperative research and development agreements, grants, funding agreements, procurement agreements, manufacturing agreements, licensing arrangements, other transactions, and any other arrangements entered into by the United States or any subcontractor, including Advanced Technologies International, Inc. (ATI), related to COVID-19 vaccines, therapeutics, and any other medical countermeasures.
2. Patents and patent applications for a COVID-19 vaccine, therapeutic, or other medical countermeasure with U.S. government coinventors, or on which there is disclosure of U.S. government interest. Please include the numbers and expiration dates of such patents and the numbers and filing dates of such patent applications.
3. Any guidance, memos, email communications, written communications, transcripts, or other documentation regarding how federal investments shall be taken into consideration in making pricing determinations in funding and procurement agreements.
4. The estimated cost to produce a dose of each COVID-19 vaccine and therapeutic candidate receiving federal research, development, or manufacturing support, and itemized breakdowns of the amounts of funding each manufacturer has asserted they have invested in the research, development, and manufacturing. Please include any steps you have taken, or plan to take, to verify the amounts each company has asserted they invested.
5. Any compensation, including royalty fees, each COVID-19 vaccine and therapeutic candidate is receiving from the U.S. government for the licensing and production of their product.
6. Any compensation subcontractors of the United States, including ATI, are receiving for administrative and management work related to COVID-19 vaccine and therapeutic development, manufacturing, and distribution. Please include any bonuses or other compensation any subcontractors may receive upon FDA emergency use authorization or approval of a COVID-19 vaccine, therapeutic, or other medical countermeasure as well as any royalty or licensing fees, or other monetary or non-monetary stake in any of these products.

In the event that you believe that any contractual provision restricts your ability to publicly disclose any of the information requested, please identify the specific applicable language. Further, for any information that you may contend is not subject to public disclosure, please provide it under appropriate seal for our Congressional oversight review.

We appreciate your immediate attention to these important questions to provide full transparency on how taxpayer dollars have been spent.

Sincerely,



Lloyd Doggett

Jan Schakowsky

Bernard Sanders

Elizabeth Warren

Donald S. Beyer Jr.

Cori Bush

Matt Cartwright

Judy Chu

Emanuel Cleaver, II

Steve Cohen

Peter A. DeFazio

Rosa DeLauro

Mark DeSaulnier

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Maxine Waters

Peter Welch

John Yarmuth